UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: October 24, 2006]²

Bill No. and sponsor: S. 3005 (Mr. Harry Reid of Nevada for Mr. John D. (Jay) Rockefeller IV of West

Virginia).

Proponent name, location: Philips Electronics Corporation, New York, NY.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Compound of barium magnesium aluminate phosphor, activated by europium or manganese, of a kind used as luminophores (CAS Nos. 63774-55-0 and 1308-96-9) (provided for in subheading 3206.50.00).

Check one: Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The product is an inorganic compound that is used as a luminophore in the manufacture of fluorescent lighting, TV and computer monitors, light emitting diodes (LED), and other electronic products. It is imported from the Netherlands.

Estimated effect on customs revenue:

| HTS subheading: <u>3206.50.00</u> | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|--|--|
| | 2006 | 2007 | 2008 | 2009 | 2010 | | |
| Col. 1-General rate of duty | 6.5% | 6.5% | 6.5% | 6.5% | 6.5% | | |
| Estimated value <i>dutiable</i> imports | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | | |
| Customs revenue loss | \$65,000 | \$65,000 | \$65,000 | \$65,000 | \$65,000 | | |

Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? | |
|--|-------------------|---|----------------------|-------------------|--|
| | | (Yes/No) | | | |
| Philips Electronics Corporation (Proponent) Katie Terricciano, 212-536-0694 | 07/27/2006 | No | No | No | |
| Agilent Technologies Robbins Pancake, 202-416-6211 | 08/03/2006 | No | No | No | |
| Apollo Color, Inc. Tom Rogers, 815-722-3965 | 07/27/2006 | No | No | No | |
| ASML US, Inc. Craig DeYoung, 480-383-4005 | 08/03/2006 | No | No | No | |
| Barium and Chemicals, Inc. Albert Pavlik, Jr., 740-282-9779 | 08/03/2006 | No | No | No | |
| BASF Corp. Phil Webb, 704-398-2588 | 07/27/2006 | No | No | No | |
| Bryant Electric Fax: 800-543-0538 | 08/03/2006 | No | No | No | |
| CDR Pigments & Dispersions Rucker Wickline, 270-737-1700 | 07/27/2006 | No | No | No | |
| CERAC, Inc. Marketing, 414-289-9800 | 08/03/2006 | No | No | No | |
| Chemical Products Corporation Gary D. Graves, 770-382-2144 | 08/03/2006 | No | No | No | |
| Ciba Specialty Chemical Corp. John Demming, 302-479-5499 | 07/27/2006 | No | No | No | |
| Clariant Corp. Andy Zamoyski, 401-823-2230 | 07/27/2006 | No | No | No | |
| ColorChem International Corp. Steven Printz, 770-993-5500 | 07/27/2006 | No | No | No | |
| Cooper Industries, Ltd. Terry Helz, 713-209-8408 | 08/03/2006 | No | No | No | |
| Cree Inc. Leigh Mitchell, 919-313-5300 | 08/03/2006 | No | No | No | |
| Cymer, Inc. Albert Cefalo, 858-385-6222 Edward Juliano, 978-264-0621 | 08/03/2006 | No | No | No | |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|-------------------|---|----------------------|-------------------|
| | | | (Yes/No) | |
| Diacolor-Pope Bob Turkos, 973-279-2702 | 07/27/2006 | No | No | No |
| Eaton Corp. Barry Doggett, 216-423-4664 | 08/03/2006 | No | No | No |
| Emerson Electric Co. Robert McDonald, 202-508-6303 | 08/03/2006 | No | No | No |
| Ericson Manufacturing Co. Richard Fox, 440-951-8000 | 08/03/2006 | No | No | No |
| Fanwood Chemical Co. Jim DeLisi, 908-322-8440 | 07/27/2006 | No | No | No |
| Galaxie Chemical Corp. Richard Caldwell, 973-279-0558 | 07/27/2006 | No | No | No |
| General Electric Co. Sandy Merber, 202-637-4000 | 08/03/2006 | No | No | No |
| Hitachi America, Ltd. Carl Green, 202-828-9272 | 08/03/2006 | No | No | No |
| Hubbell Inc. Thomas Conlin, 203-799-4293 | 08/03/2006 | No | No | No |
| Intel Corporation David Rose, 202-626-4390 | 08/03/2006 | No | No | No |
| Leviton Manufacturing Co., Inc. Stephen Hofmann, 202-216-9703 | 08/03/2006 | No | No | No |
| Light Sources, Inc. John Masuchi, 203-799-7877 | 08/03/2006 | No | No | No |
| Lutron Electronics Company, Inc. 610-282-3800 | 08/03/2006 | No | No | No |
| Magruder Color Co., Inc. Joel Weissglass, 973-241-1300 | 07/27/2006 | No | No | No |
| Mason Color Works, Inc. Carol Mason Cronin, 330-385-4400 | 07/27/2006 | No | No | No |
| Max Marx Color Corp. Walter Sichel, 973-373-7801 | 07/27/2006 | No | No | No |
| National Electrical Manufacturers Association John Meakem, 703-841-3243 | 08/03/2006 | No | No | No |
| Osram Sylvania Pamela Horner, 978-777-1900 | 08/03/2006 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? | |
|---|-------------------|---|----------------------|-------------------|--|
| | | (Yes/No) | | | |
| Pass & Seymour/Lagrand John Clarke, 315-468-8223 | 08/03/2006 | No | No | No | |
| PMC Inc. Gordon McCullough, 847-615-3400 | 07/27/2006 | No | No | No | |
| Siemens Energy and Automation, Inc. Tom Varney, 770-751-2000 | 08/03/2006 | No | No | No | |
| SEMI Victoria Hadfield, 202-289-0440 | 08/03/2006 | No | No | No | |
| Square D Co. 847-397-2600 | 08/03/2006 | No | No | No | |
| Sun Chemical Corp. Ed Faulkner, 513-681-5950 | 07/27/2006 | No | No | No | |
| Technology Research Corp. Robert Wiggins, 727-535-0572 | 08/03/2006 | No | No | No | |

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide a more defined chemical name.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS 2D SESSION

S. 3005

To suspend temporarily the duty on Phosphor-BAG-barium magnesium aluminate phosphor.

IN THE SENATE OF THE UNITED STATES

May 24, 2006

Mr. Reid (for Mr. Rockefeller) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on Phosphor-BAG-barium magnesium aluminate phosphor.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. PHOSPHOR-BAG-BARIUM MAGNESIUM ALU-
- 4 MINATE PHOSPHOR.
- 5 (a) IN GENERAL.—Subchapter II of Chapter 99 of
- 6 the Harmonized Tariff Schedule of the United States is
- 7 amended by inserting in numerical sequence the following
- 8 new heading:

2

| " | 9902.32.08 | Phosphor-BAG-barium | | | | | |
|---|------------|-----------------------------|------|-----------|-----------|--------------|----|
| | | magnesium aluminate phos- | | | | | |
| | | phor, activited by europium | | | | | |
| | | and manganese; inorganic | | | | | |
| | | products of a kind used as | | | | | |
| | | luminophores (CAS Nos. | | | | | |
| | | 63774-55-0 and 1308-96- | | | | | |
| | | 9) (provided for in sub- | | | | | |
| | | heading 3206.50.00) | Free | No change | No change | On or before | |
| | | | | | | 12/31/2009 | ". |

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to articles entered, or withdrawn
- 3 from warehouse for consumption, on or after the 15th day
- 4 after the date of the enactment of this Act.

 \bigcirc